



JAMES A. NOYES, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

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July 17, 2003

IN REPLY PLEASE

REFER TO FILE: PD-5

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**METRO BLUE LINE  
AMENDMENT NO. 4  
MEMORANDUM OF UNDERSTANDING FOR LIABILITY SHARING  
PROPOSITION A LOCAL RETURN TRANSPORTATION PROGRAM  
ALL SUPERVISORIAL DISTRICTS  
3 VOTES**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve the enclosed Amendment No. 4 to the Memorandum of Understanding between the County, the City of Long Beach, and the Los Angeles County Metropolitan Transportation Authority for liability sharing on the Long Beach-Los Angeles Light Rail (Metro Blue Line).
2. Instruct the Chair to sign the enclosed Memorandum of Understanding and the four additional signature pages.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On December 18, 1990, Synopsis 65, your Board approved a Memorandum of Understanding (MOU) between the Cities of Compton, Long Beach, and Los Angeles and the Los Angeles County Metropolitan Transportation (MTA) for liability sharing on the Metro Blue Line.

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Subsequent to the Board action on December 18, 1990, the City of Los Angeles decided not to participate in the joint liability arrangement. A new MOU was prepared by the MTA to extend the term of the MOU to July 31, 1992, and to delete the City of Los Angeles. This MOU was executed by your Board on September 24, 1991.

On January 26, 1993, Synopsis 49, your Board approved Amendment No. 1 to the MOU. Amendment No.1 extended the expiration date of the MOU to July 31, 1995.

On September 24, 1996, Synopsis 53, your Board approved Amendment No. 2 to the MOU. Amendment No. 2 extended the expiration date of the MOU to July 31, 1998. At this point, the City of Compton declined from further participating in the joint liability.

On October 13, 1998, Synopsis 41, your Board approved Amendment No. 3 to the MOU. Amendment No. 3 extended the expiration date of the MOU to July 31, 2003. This amendment included two 1-year automatic renewals.

Amendment No. 4 extends the expiration of the MOU to July 31, 2008, and retains the same language as the MOU and the adopted amendments.

This action will provide for the continuation of the shared liability arrangement between the County, the City of Long Beach, and the MTA.

Under the terms of the MOU, each agency will be insured under a common policy of liability insurance for losses arising from the operation of the Metro Blue Line. The MOU provides that all liability claims that are filed against any of the parties to the MOU be handled by the MTA's Risk Management Department and the MTA's third party administrator.

### **Implementation of Strategic Plan Goals**

This action meets the County's Strategic Plan Goals of Service Excellence, Children and Families Well-Being, and Improving Community Services as it provides services to the public in a manner that is responsive to the local area for this regionally-significant project.

### **FISCAL IMPACT/FINANCING**

MTA's insurance policies provide coverage up to \$100 million per occurrence in excess of a \$4.5 million self-insured retention for which the parties to the MOU may be responsible. The County's obligation is 2 percent of any loss not covered by the insurance policies. The MTA pays for 96 percent of any losses not covered by the policies and pays the premiums for the policies. The City of Long Beach also pays 2 percent of any losses not covered by the insurance policies.

The County's share of the cost will be financed utilizing the Top of Pot allocation of Proposition A Local Return Transit funds available in the Transit Enterprise fund administered by Public Works.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Upon your approval, we will inform the MTA of the continuation of the program. County Counsel has reviewed and approved the Amendment No. 4 as to form. The Chief Administrative Office's Risk Management also has reviewed and approved the Amendment No. 4.

### **ENVIRONMENTAL DOCUMENTATION**

There is no environmental documentation required for this action.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This action will provide for the continuation of the current financial arrangement.

### **CONCLUSION**

Amendment No. 4 to the MOU is being signed in counterparts by the parties to the MOU. Enclosed are the County original, County file copy, and four copies of the signature pages (to be attached to the other counterparts of the MOU) which have been approved as to form by County Counsel. Upon approval, please return the County

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original and the four signature pages together with two approved copies of this letter to Public Works. The County file copy is for your files until the fully executed County Original is returned.

Respectfully submitted,

JAMES A. NOYES  
Director of Public Works

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Enc.

cc: Chief Administrative Office  
County Counsel  
Executive Office

AMENDMENT NO. 4 TO  
MEMORANDUM OF UNDERSTANDING  
FOR  
LIABILITY, INSURANCE AND INDEMNIFICATION WITH RESPECT TO  
OPERATIONS, USE OR MAINTENANCE  
OF THE METRO BLUE LINE BETWEEN  
CITY OF LONG BEACH  
COUNTY OF LOS ANGELES  
AND  
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
(LACMTA)

The undersigned public agencies (referred to collectively as "Agencies" or individually as "Agency") have heretofore executed that certain Memorandum of Understanding dated September 24, 1991 (the "Memorandum").

The Agencies now desire to amend the Memorandum pursuant to this Amendment No. 4 as set forth below.

Section 1 of the Memorandum is hereby amended to read, in its entirety, as follows:

Subject to the provisions set forth below in this Section, the term of this Memorandum shall be and this Memorandum shall apply to any activity resulting in any loss as set forth herein, which occurs during the period commencing on August 1, 2003 and ending on July 31, 2008 (the "Expiration Date"). Notwithstanding the passage of the Expiration Date of the prior extension, this Memorandum shall be in full force and effect with respect to any activity occurring during the term of this Memorandum.

The Expiration Date shall not be extended as set forth in this Section during the period, written notice of termination is given to all other parties to this Agreement no earlier than one hundred eighty (180) days, and no later than ninety (90) days, before the Expiration Date.

All notices shall be by registered or certified mail, postage prepaid, return receipt requested, personal delivery or overnight courier to the principal offices of each of the other Agencies. Such notices may be sent in the same manner to such other addresses any Agency may from time to time designate by notice given as provided in this Section. For purposes of this Section, the address of each Agency shall be set forth below:

If to City of Long Beach:

333 West Ocean Boulevard  
Long Beach, CA 90802  
(310) 590-6754  
Attention: Risk Manager

If to County of Los Angeles:

P. O. Box 1460  
Alhambra, CA 91802-1460  
Attention: Chief Deputy Director, Department of Public Works

If to Los Angeles County Metropolitan Transportation Authority (LACMTA):

One Gateway Plaza  
Los Angeles, CA 90012-2952  
Attention: Executive Officer of Risk Management

Except as amended hereby, the Memorandum remains in full force and effect.

This Amendment No 4 shall be effective on August 1, 2003

This Amendment No. 4 may be executed in as many counterparts as may be deemed necessary or convenient and by the different parties hereto on separate counterparts each of which when so executed shall be deemed an original but all such counterparts shall constitute but one and the same agreement.

Amendment No. 4 executed on this \_\_\_\_\_ day of  
\_\_\_\_\_ 2003.

CITY OF LONG BEACH

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_

COUNTY OF LOS ANGELES

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
(LACMTA)

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_

APPROVED AS TO FORM  
LLOYD W. PELLMAN  
County Counsel

BY Frank E. Sullivan  
Deputy